

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1090 be amended to read as follows:

- 1 Page 2, delete lines 36 through 42.
- 2 Delete page 3.
- 3 Page 4, delete lines 1 through 34.
- 4 Page 17, between lines 36 and 37, begin a new paragraph and insert:
- 5 "SECTION 10. [EFFECTIVE UPON PASSAGE] (a) As used in
- 6 this SECTION:
- 7 (1) "condominium" has the meaning set forth in
- 8 IC 32-25-2-7;
- 9 (2) "condominium building" means a building in which one
- 10 (1) or more condominium units are located;
- 11 (3) "condominium unit" has the meaning set forth in
- 12 IC 32-25-2-9;
- 13 (4) "majority interest condominium owner" means a person,
- 14 an entity, or affiliated or related entities that own one (1) or
- 15 more condominium units that comprise more than fifty
- 16 percent (50%) of the area (excluding common areas) of a
- 17 condominium building; and
- 18 (5) "principal rental dwelling" refers to residential
- 19 improvements to land that an individual with a leasehold
- 20 interest in the property uses as the individual's principal
- 21 place of residence, regardless of whether the individual is

absent from the property while in a facility described in subsection (b).

(b) The term "principal rental dwelling" does not include any of the following:

- (1) A hospital licensed under IC 16-21.
- (2) A health facility licensed under IC 16-28.
- (3) A facility licensed under IC 16-28.
- (4) A Christian Science home or sanatorium.
- (5) A group home licensed under IC 12-17.4 or IC 12-28-4.
- (6) An establishment that serves as an emergency shelter for victims of domestic violence, homeless persons, or other similar purposes.
- (7) A fraternity, sorority, or student cooperative housing organization described in IC 6-2.5-5-21.

(c) Subject to subsections (i), (j), and (k), the owner of a building that contains less than five (5) principal rental dwellings is entitled to a deduction from the assessed value of the building and the land on which the building is located equal to the lesser of:

- (1) fifty percent (50%) of the combined assessed value of the building and the land; or
- (2) sixty-six percent (66%) of the maximum amount of the standard deduction under IC 6-1.1-12-37(b)(2).

(d) Subject to subsections (i), (j), and (k), the owner of a building that contains more than four (4) principal rental dwellings and less than nine (9) principal rental dwellings is entitled to a deduction from the assessed value of the building and the land on which the building is located equal to the lesser of:

- (1) fifty percent (50%) of the combined assessed value of the building and the land; or
- (2) the product of seventeen percent (17%) of the maximum amount of the standard deduction under IC 6-1.1-12-37(b)(2) multiplied by the number of principal rental dwellings in the building.

(e) Subject to subsections (i), (j), and (k), the owner of a building that contains more than eight (8) principal rental dwellings and less than twenty-one (21) principal rental dwellings is entitled to a deduction from the assessed value of the building and the land on which the building is located equal to the lesser of:

- (1) fifty percent (50%) of the combined assessed value of the building and the land; or
- (2) the product of ten percent (10%) of the maximum

amount of the standard deduction under IC 6-1.1-12-37(b)(2) multiplied by the number of principal rental dwellings in the building.

(f) Subject to subsections (i), (j), and (k), the owner of a building that contains more than twenty (20) principal rental dwellings is entitled to a deduction from the assessed value of the building and the land on which the building is located equal to the lesser of:

(1) fifty percent (50%) of the combined assessed value of the building and the land; or

(2) the product of seven percent (7%) of the maximum amount of the standard deduction under IC 6-1.1-12-37(b)(2) multiplied by the number of principal rental dwellings in the building.

(g) A certificate of occupancy that complies with this subsection is prima facie evidence that a building and the land on which it is located contains the number of principal rental dwellings specified in the certificate. To comply with this subsection, the certificate of occupancy must:

(1) be prepared on a form prescribed by the department of local government finance;

(2) be signed under penalties of perjury by the owner of the building containing a rental unit or the principal officer of the entity owning the building; and

(3) indicate that:

(A) with respect to a building that contains one (1) rental unit, the unit was used as a principal rental dwelling; and

(B) with respect to a building that contains more than one (1) unit, substantially all the units in the building were used as principal rental dwelling units;

on an assessment date or within two (2) years before the assessment date.

(h) To obtain the deduction under this section, the:

(1) owner of the building containing a principal rental dwelling; or

(2) principal officer for the cooperative, common interest community, owner's association, or other entity owning the building;

must file a certified application in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. The certified application must be filed before May 11 in the year containing the assessment date to which the application applies.

(i) If the owner of a building containing a principal rental dwelling is eligible to receive:

(1) a homestead credit for the building under IC 6-1.1-20.9;

or

(2) the standard deduction for the building under IC 6-1.1-12-37;

the owner may not claim the deduction provided under this section.

(j) If a parcel of land contains more than one (1) building for which a deduction is claimed under this section, the township assessor shall allocate the assessed value of the land among the buildings on the parcel in proportion to the assessed value of each building. The county auditor shall use the allocated assessed value of land under this section in determining the amount of the deduction that is to be granted under this section.

(k) The owner of a condominium unit that uses the condominium unit as a principal rental dwelling is eligible for a deduction under this SECTION. Each condominium unit that is owned by a co-owner (as defined in IC 32-25-2-11) that is not a majority interest condominium owner shall be treated as a separate building for the purpose of applying this SECTION. The amount of the deduction under this SECTION is determined for one (1) or more condominium units owned by a majority interest condominium owner as if:

(1) the majority interest condominium owner were the owner of the condominium building; and

(2) each condominium unit owned by the majority interest condominium owner in the condominium building and used as a principal rental dwelling were a separate principal rental dwelling contained in the building.

The amount of the deduction determined under this subsection is apportioned equally among the condominium units in the condominium building.

(l) This SECTION applies only to:

(1) assessment dates after February 28, 2004, and before March 2, 2005; and

(2) property taxes first due and payable after December 31, 2004, and before January 1, 2007.

(m) This SECTION expires January 1, 2007.

SECTION 11. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION:

(1) "dwelling" has the meaning set forth in IC 6-1.1-20.9-1(1);

(2) "principal rental dwelling" has the meaning set forth in IC 6-1.1-1-13.5 of this act; and

(3) "taxes" refers to ad valorem property taxes.

(b) The department of local government finance shall:

(1) for property taxes first due and payable after December 31, 2006, determine the amount of the deduction from the assessed value of principal rental dwellings that would result each year in a total combined amount of taxes payable in the year with respect to principal rental dwellings that bears the same proportion to the total combined amount of taxes payable in the year with respect to all dwellings that the total combined amount of taxes payable in 2002 with respect to principal rental dwellings bears to the total combined amount of taxes payable in 2002 with respect to all dwellings; and

(2) before January 1, 2006, report its determination under subdivision (1) to:

(A) the governor; and

(B) the legislative services agency in an electronic format under IC 5-14-6.

(c) This SECTION expires January 1, 2006."

Page 17, line 38, delete "and IC 6-1.1-12-43, both" and insert ",".

Page 17, line 38, after "act" delete ", and".

Page 17, line 39, delete "IC 6-1.1-12-37, as amended by this act, apply" and insert "**applies**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1090 as printed January 30, 2004.)

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Representative Thompson